 Received OLC 14 Dec. 73 1155

JUN 8 - 1973

Honorable Roy L. Ash
Director, Office of
Management and Budget
Washington, D.C. 20503

Dear Mr. Ash:

In accordance with established procedure, there is transmitted herewith a proposed report on HR 7135 (A Bill to amend the Military Personnel and Civilian Employees' Claims Act of 1964, as amended, with respect to the settlement of claims against the United States by civilian officers and employees for damage to, or loss of, personal property incident to their service) which has been requested by the Chairman of the House Committee on the Judiciary.

Please inform the Department whether there is any objection to the submission of this report.

Sincerely,

Marshall Wright
Assistant Secretary
for Congressional Relations



Enclosure:

Six copies of
proposed report (the letter to the Committee)



Note: See clearances on letter to Chairman Rodino, Jr.

OPP/WLC:JDW:

Honorable Peter W. Rodino, Jr.
Chairman, Committee on the Judiciary
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

The Secretary has asked me to reply to your letter of May 4, 1973 requesting a report on H.R. 7135, a bill to amend the Military Personnel and Civilian Employees Claims Act of 1964, as amended.

The Department, the Agency for International Development and the United States Information Agency support this bill which would provide identical authority to all departments and agencies to settle claims of their employees for personal property losses incurred incident to service. The bill would increase the ceiling on the authority of defense and foreign affairs agencies to settle such claims from $10,000 to $12,000 and would increase the ceiling applicable to all other agencies from $6500 to $12,000.

Section 2 of the bill authorizes the application of this new ceiling retroactively to August 31, 1964 for all agencies except this Department and the other foreign affairs agencies as defined in section 3(b)(1)(B) of the present law, although it is our understanding that it was intended that the retroactive feature apply to all departments and agencies. Since we believe it is equitable to permit reimbursement up to the new maximum for service incurred losses regardless of whether they occurred before or after the date of enactment of the authorizing legislation, we support the retroactive application of this bill and request that the required authority be extended to the Department and other foreign affairs agencies. This

could be done most simply by amending section 2 of the bill by inserting "or $10,000" immediately after "$6500" on line 25 of page 2 and changing "limitation" to "limitations" on line 1 of page 3.

The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report.

Sincerely yours,

Marshall Wright
Assistant Secretary for
Congressional Relations

OPR/WLG:JPMcDonnell;
PER/PCE/PP:RBHull;ehh 6/1/73
x 20426 RS#009063

Clearances:
A/OPR:JMThomas
PER/PCE/PP:CMHailey (in draft)
L/M/SCA:KMalmborg
DG/PER:RCBrewster
AID-MO/AD/W:WNicolai (in draft)
USIA-ILA/FX:CPBalzer (in draft)
M/DG:WOHall
A/BF:RWMurray